

51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Aduro Clean Technologies Inc. (the “**Company**”)
Suite 104, 1086 Modeland Road
Sarnia, Ontario, Canada, N7S 6L2

Item 2 Date of Material Change

January 20, 2022.

Item 3 News Release

The news release dated January 20, 2022 was disseminated via Accesswire.

Item 4 Summary of Material Change

The Company announced the achievement of the first milestone under the securities exchange agreement dated October 22, 2021, as amended (the “**Securities Exchange Agreement**”) (the “**First Milestone**”) and the receipt of the third party report following the successful review and independent validation of its patented chemical conversion technology by Dr. Paul Charpentier, an expert in chemistry and alternative energy applications.

The objective of the review and independent validation was to confirm that Alberta bitumen, flowing continuously through the R2 reactor, was upgraded to lighter crude compared to the feedstock. More specifically, Aduro Hydrochemolytic™ chemical conversion technology (HCT) was applied to improve the properties of bitumen feedstock with an "API gravity" (density) of 14.6 °API, upgrading it to lighter petroleum with a density of 19.5 °API. Higher °API values mean lower density and higher market value.

Management believes these results further validate that the patented HCT, developed and proven by the Company in small-batch R1 reactors, is viable for use in the types of continuous-flow reactors commonly used in commercial applications. The main benefits of HCT, when applied to bitumen, include partial upgrading of bitumen that improves viscosity, density, and market value, while reducing capital costs.

The results of the work completed by the Company and evaluated by Dr. Charpentier support continuation of work to establish the foundation for HCT scaleup to pilot plants, precommercial deployments, and full-scale commercial systems, while creating opportunities for the Company to continue engagement of potential partners and customers through demonstration projects.

The R2-scale work on bitumen supports the next-phase design and development of the pilot-scale R3 reactor system to process barrels-per-day of bitumen. R3 reactor design work started in June 2021 and continues to proceed at a rapid pace. Furthermore, lessons learned from bitumen processing are also being applied to accelerate the design of an R2-scale demonstration system optimized for upcycling of plastics, such as polyethylene and polypropylene.

The completion of independent validation also marks the achievement of the First Milestone. On the receipt of the Third-Party Report, 13,333,328 Class A special warrants held by the special warrants trustee are deemed to be distributed in accordance with the Securities Exchange Agreement and are automatically converted on a one-for-one basis into common shares of the Company for no additional consideration and will be distributed to the former security holders of the Company.

Furthermore, 13,333,328 Class B special warrants also held by the special warrants trustee will be distributed in accordance with the terms of the Securities Exchange Agreement and will only be converted when the second milestone is achieved, at which point the warrants will be convertible into common shares for no additional consideration on a one-for-one basis. 10,552,228 of the common shares issued on the conversion of Class A special warrants and 11,414,864 of the Class B special warrants will be distributed to Company insiders.

Item 5 Full Description of Material Change

See Item 4 above for a detailed description of the material change.

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

N/A

Item 7 Omitted Information

None

Item 8 Executive Officer

Ofer Vicus, Chief Executive Officer
Telephone: 604-362-7011

Item 9 Date of Report

January 21, 2022